



Ontario Federation of Agriculture

Ontario AgriCentre

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Ms. Kirsten Walli,
2016
ONTARIO ENERGY BOARD
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

February 25,

Re: Concern regarding Procedural Order No. 1 for EB-2016-0004

Dear Ms. Walli:

As an intervenor in EB-2016- 0004, the OFA will advocate for the interests of over 36,000 Ontario farm families, county and regional federations, and affiliates. OFA members have a substantial interest in this proceeding, including all issues that affect rates and services available to them.

Existing EB-188 regulations on project viability ensure utilities are able to provide a long-term reliable source of natural gas to Ontario consumers. However, many Ontario residents, businesses, municipalities and public institutions do not have access to this economical, clean and efficient fuel source option.

Through EB-2016-0004, the OEB plans to explore the appropriateness of cross customer subsidy options, EB 188 exemptions, and public interest factors to include in establishing criteria for cost recovery and project/community selection. The OEB has access to many urban-centered interests, many of who feel that there is no public benefit in exploring issues listed in Procedural Order No. 1. The OFA has the opportunity to balance those positions, by illustrating the rural economic perspective and the many benefits of expansion for all Ontarians.

Providing natural gas to Ontario farms and other rural businesses and families which do not currently have access is the best infrastructure investment that can be made to support the agri-food sector and rural communities across the province. An expanded natural gas network will help farmers significantly reduce operating costs for heating barns, providing hot water for dairy operations, drying grain and running greenhouses and other facilities. The rural and farm energy savings are monumental, providing millions of dollars of new income for reinvestment in rural Ontario making our farms and rural businesses more competitive in a global market.

Access to reliable and competitively priced natural gas can attract new food processing, manufacturing and services. Access to a natural gas network will enable the connection of biogas producing facilities, supplying the demand by converting bio-solids to energy. It will facilitate a conversion of the extensive farm and rural fleet from diesel to natural gas as a fuel source. These developments will further generate a new level of income for reinvestment in the rural economy while reducing greenhouse gases.

The OEB Issues List must include items to determine the appropriateness of cross-customer subsidies, cross-utility subsidies, cost recovery and, given the disproportionate contributions paid by farmers and other rural residents for Ontario's electricity distribution grid, the appropriateness of expanding natural gas infrastructure to rural Ontario for the benefit of all Ontarians. Thank you for considering the OFA perspective and our comments related to the Issues List. We look forward to participating in the hearing.

Respectfully submitted,



Neil Currie
General Manager,
Ontario Federation of Agriculture